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SYMBOLS Z: TSX-V
E9X: Frankfurt
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NEWS RELEASE

STRONGHOLD ANNOUNCES AMENDMENT TO THE EAGLE MOUNTAIN AGREEMENT THAT WILL ALLOW STRONGHOLD TO EARN AN IMMEDIATE 50% INTEREST IN THE PROPERTY

Vancouver, BC – STRONGHOLD METALS INC. (“Stronghold” or the “Company”) (Z: TSX-V, E9X: Frankfurt, SDMTF: OTCQX) is pleased to announce that it has entered into an Amended and Restated Earn-In and Joint Venture Agreement (the “Amendment Agreement”) with Omai Gold Mines Ltd. (“OGML”) and Eagle Mountain Gold Inc. (“EMGI”), affiliates of IAMGOLD Corporation (“IAMGOLD”) with respect to the Eagle Mountain Gold Property (the “Property”) in Guyana. The Amendment Agreement makes several major changes to the terms of the existing agreement (the “Original Agreement”) pursuant to which the Company was granted the right to acquire up to 100% of the issued and outstanding shares of EMGI. EMGI owns the Eagle Mountain Gold Property. EMGI is owned by OGML, a 95% owned subsidiary of IAMGOLD. The Republic of Guyana (“Guyana”) holds the remaining 5% of OGML.

Highlights:

- On closing (expected this month) Stronghold will acquire 50% of the issued and outstanding shares of EMGI and effectively an indirect 50% interest in the Property. Stronghold and OGML will become joint venture partners, with Stronghold continuing to act as Operator.
- On closing, IAMGOLD indirectly through OGML (subject to Guyana’s 5% interest) will own approximately 15.8% of Stronghold’s issued and outstanding shares and become its largest shareholder.
- Stronghold will have no further cash payments due to OGML in 2012.

- To date Stronghold has paid OGML US\$600,000, issued OGML 4,000,000 shares and incurred approximately US\$3,500,000 in exploration expenditures (“**Expenditures**”) on the Property. Stronghold incurred more than twice the required Expenditures under the Original Agreement, which in part has led to the restructuring of the Amendment Agreement.
- Stronghold has a clear path to acquiring 100% of EMGI.

Under the terms of the Original Agreement in addition to the cash and share payments made to date, Stronghold was required to:

- Pay OGML US\$900,000 by February 28, 2012;
- Pay OGML an additional US\$1.0 million; spend US\$3.5 million in qualified Expenditures on the Property and issue OGML 2 million common shares of Stronghold by October 31, 2012, in order to earn a 50% interest in EMGI; and
- Pay OGML an additional US\$1.0 million to increase the ownership to 100%.

Stronghold, OGML and EMGI have agreed, subject to the ratification of the boards of directors of OGML and EMGI, to amend the Original Agreement taking into account the fact that Stronghold accelerated the exploration program on the Property and has already exceeded the total Expenditure requirement of US\$3.5 million to achieve a 50% interest in EMGI.

New Agreement Terms

Under the terms of the Amendment Agreement, OGML agrees to immediately transfer a 50% interest in EMGI to Stronghold in consideration of the issuance of 7,500,000 shares of Stronghold. The changes reduce the cash obligation required under the Original Agreement and acknowledge the progress the Company has made on the Property with the US\$3.5 million expenditure during 2011.

Stronghold has the right to acquire the remaining 50% interest in EMGI on or before April 30, 2013 by paying OGML an additional US\$1,000,000 in cash or shares, at the Company’s discretion. The number of shares will be determined based on a per share price equal to a five percent (5%) discount to the volume weighted average price (“**VWAP**”) of Stronghold’s shares for the 20 trading days before the date Stronghold notifies OGML of its intention to issue such shares, provided such share issuance does not result in OGML controlling in excess of 19.99% of Stronghold’s issued and outstanding shares. Between October 31, 2012 and January 31, 2013, OGML can require Stronghold to acquire the remaining 50% interest in the Property under the same terms and conditions.

The following chart shows the consideration paid and payable in order for Stronghold to acquire up to a 100% interest in EGMI and therefore sole ownership of the Eagle Mountain Property (excluding any equity interest which may be held by the Government of Guyana):

Significant Milestone Date	Exploration Expenditures	Cash Payments to OGML	Issuing of Stronghold Common Shares to OGML	Vesting Interest for Stronghold	Nature of Commitment
Completed To Date (January 2011)	\$3,500,000	\$600,000	4,000,000	0%	Firm (completed)
<i>SUBTOTAL to Date</i>	<i>\$3,500,000</i>	<i>\$600,000</i>	<i>4,000,000</i>	<i>0%</i>	<i>Firm (completed)</i>
By February 29, 2012			7,500,000 shares	50%	Firm
<i>SUBTOTAL By February 29 2012</i>	<i>\$3,500,000</i>	<i>\$600,000</i>	<i>11,500,000 shares</i>	<i>50%</i>	<i>Firm</i>
By April 30, 2013		\$1,000,000 ⁽¹⁾		100%	Optional
<i>SUBTOTAL By April 30, 2013</i>		<i>\$1,000,000⁽¹⁾</i>		<i>100%</i>	<i>Optional</i>
<i>GRAND TOTAL</i>	<i>\$3,500,000</i>	<i>\$1,600,000</i>	<i>11,500,000 shares</i>	<i>100%</i>	

Table 1: Summary of earn-in and JV terms (all money figures in US\$ Dollars)

- ⁽¹⁾ Stronghold has the option to issue shares to OGML in lieu of this cash payment provided such share issuance does not result in OGML controlling in excess of 19.99% of Stronghold's issued and outstanding shares.

Upon the grant of a mining or exploitation licence by the Government of Guyana for the development of the Property, Stronghold will pay OGML an additional US\$3,500,000. Stronghold may, at its sole option, elect to issue shares to OGML having a deemed value of US\$3,500,000, such value to be based on a per share price equal to a five percent (5%) discount to the VWAP of Stronghold's shares for the 20 trading days before the date Stronghold notifies OGML of its intention to issue such shares, provided such share issuance does not result in OGML controlling in excess of 19.99% of Stronghold's issued and outstanding shares.

Finally, after the commencement of commercial production of gold from the Property, Stronghold shall pay US\$5,000,000 cash to OGML.

The following chart shows Stronghold’s obligations following the grant of a mining or exploitation licence for Eagle Mountain:

On Granting of a Mining License	\$3,500,000 ⁽²⁾
Within 180 days from Commencement of Commercial Production	\$5,000,000

Table 2: Summary of earn-in and JV terms (all money figures in US\$ Dollars).

⁽²⁾ Stronghold has the option to issue shares to OGML in lieu of this cash payment provided such share issuance does not result in OGML controlling in excess of 19.99% of Stronghold’s issued and outstanding shares.

The Amendment Agreement is subject to the approval of the TSX Venture Exchange.

Yannis Tsitos, President and CEO of Stronghold stated: “This renegotiation of the terms of our Earn-In and Joint Venture Agreement represents a very significant milestone for Stronghold. During 2011 we conducted an aggressive drilling campaign on Eagle Mountain, and to date have received the results from 46 of the 78 holes we completed. Of those 46 holes, 44 intersected gold mineralization of meaningful widths and grades and the resource continues to be open on three sides. We have a very good relationship with IAMGOLD and they were clearly pleased with the progress we have made at Eagle Mountain. Our Amended Agreement with OGML and EMGI allows the Company to focus its resources on progressing the project and represents a rare opportunity to rapidly move an already advanced project into the Pre-Feasibility Study/ Scoping Study stage delivering tangible value to our shareholders. We expect to receive the remaining results from the completed holes shortly and then incorporate the results into delivering a new NI 43-101 compliant resource. We plan to intensify pace of the exploration work program to expand and advance the current resource estimate. Having IAMGOLD indirectly, through OGML (subject to Guyana’s 5% interest), increase their share position will be of tremendous benefit to the Company as we move forward with our plans. Stronghold is focused on bringing Eagle Mountain into production, which will not only be valuable to the Company’s shareholders, but can also make an important contribution to the development of Guyana and the well being of the Guyanese people.”

Paul Olmsted, Senior Vice President, Corporate Development, IAMGOLD Corporation, stated: “We are pleased with the work Stronghold has done to date on the Eagle Mountain project and look forward to continued success both on the project and on our increased share position in Stronghold.’

For further information on the Eagle Mountain Property and on Stronghold, please refer to the Company's corporate presentation and news releases on its website at www.strongholdmetals.com.

On behalf of The Board of Directors of Stronghold Metals Inc.

"Ioannis (Yannis) Tsitos"
President, CEO & Director

Statements contained in this news release may constitute forward-looking statements. Such forward-looking statements are based upon the Company's reasonable expectations and business plan at the date hereof and are subject to change depending on economic, political and competitive circumstances and contingencies. Readers are cautioned that such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause a change in such assumptions and the actual outcomes and estimates may be materially different from those estimated or anticipated future results, achievements or positions expressed or implied by those forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.